

THE NATIONAL ARCHIVES
LITTERA SCRIPTA MANET
FEDERAL REGISTER
OF THE UNITED STATES
1934

VOLUME 4
NUMBER 37

Washington, Friday, February 24, 1939

Rules, Regulations, Orders

**TITLE 33—NAVIGATION AND
NAVIGABLE WATERS
WAR DEPARTMENT**

**RULES AND REGULATIONS RELATING TO THE
NAVIGABLE WATERS OF THE UNITED
STATES¹**

**SPECIAL PASSING SIGNALS APPLICABLE TO THE
MISSISSIPPI RIVER AND ITS TRIBUTARIES**

Vessels intending to pass dredges or other types of floating plant working in navigable channels, when within a reasonable distance therefrom and not in any case over a mile, shall indicate such intention by one long blast of the whistle and shall be directed to the proper side for passage by the sounding, by the dredge or other floating plant, of the signal prescribed in the local pilot rules for vessels under way and approaching each other from opposite directions, which shall be answered in the usual manner by the approaching vessel. If the channel is not clear, the floating plant shall sound the alarm or danger signal and the approaching vessel shall slow down or stop and await further signal from the plant.

When the pipe line from a dredge crosses the channel in such a way that an approaching vessel cannot safely pass around the pipe line or dredge, there shall immediately be sounded from the dredge or floating plant the alarm or danger signal and the approaching vessel shall slow down or stop and await further signal from the plant. The pipe line shall then be opened and the channel cleared as soon as practicable; when the channel is clear for passage the dredge or plant shall so indicate by sounding the usual passing signal as before prescribed. The approaching vessel shall answer with a corresponding signal and promptly pass.

When any pipe line or swinging dredge shall have given an approaching steam vessel or tow the signal that the chan-

nel is clear, the dredge shall straighten out within the cut for the passage of said steam vessel or tow.

Approved, January 12, 1939.

[SEAL] HARRY H. WOODRING,
Secretary of War.

[F. R. Doc. 39-618; Filed, February 23, 1939;
10:42 a. m.]

**TITLE 34—NAVY
NAVY DEPARTMENT**

**BUREAU OF SUPPLIES AND ACCOUNTS
MANUAL¹**

SEC. 4.1014² *Methods of purchase (ashore and afloat).* Three methods of purchase are established:

Purchase after newspaper advertisement.

Purchase after advertising by means of circulars (schedules), letters, or bulletins.

Purchase in a manner common among business men.

Forms of agreement. The two forms of agreement used are as follows:

Formal contracts: The transaction is reduced to writing and signed by both parties at the end thereof.

Less formal contracts: When the amount involved is \$500 or less and the transaction is completed with a written proposal and acceptance, an order, or an oral agreement immediately executed.

SEC. 4.1015² *Methods of purchase by bureau of supplies and accounts—Routine procedure.* In making purchases the Bureau of Supplies and Accounts follows the routine outlined in the following paragraphs.

¹ These sections were promulgated by the Chief of the Bureau of Supplies and Accounts and approved by the Secretary of the Navy under the authority conferred on them by Article 79 (9) U. S. Navy Regulations, 1920.

² Supersede sections bearing same numbers in Code of Federal Regulations.

³ F. R. 3147 DI.

CONTENTS

RULES, REGULATIONS, ORDERS

TITLE 33—NAVIGATION AND NAVIGABLE WATERS:
War Department: Page
Navigable waters of United States, rules and regulations relating to..... 1001

TITLE 34—NAVY:
Navy Department:
Bureau of Supplies and Accounts Manual, articles superseded..... 1001

TITLE 47—TELECOMMUNICATION:
Federal Communications Commission:
Rules governing fixed radio services..... 1006

NOTICES

Securities and Exchange Commission:
Connecticut Light & Power Co., hearing postponed..... 1006

Advertising. The manner of advertising is one of departmental discretion (see Sec. 4.1026). The Bureau of Supplies and Accounts uses both newspapers and circulars (schedules).

Schedules. At such times as the stock requests (S. and A. Form 235) and requisitions (S. and A. Form 76) received from yards and stations render purchase by the bureau necessary and market conditions are favorable, the bureau consolidates these requests and requisitions in the form of schedules for distribution to prospective bidders. Three copies are sent to each dealer in the particular commodity to be purchased as shown by the bureau's mailing list of bidders. Schedules are printed or mimeographed and contain such essential data as—

The schedule number, date, and hour of opening bids.

The material required, by quantities, and divided into classes by commodities and delivery points.

The points of delivery.
The specifications.

¹ Supplemental Regulations to Rule 8, Passing Signals (33 CFR 201.8).



Published by the Division of the Federal Register, The National Archives, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. L. 500), under regulations prescribed by the Administrative Committee, with the approval of the President.

The Administrative Committee consists of the Archivist or Acting Archivist, an officer of the Department of Justice designated by the Attorney General, and the Public Printer or Acting Public Printer.

The daily issue of the **FEDERAL REGISTER** will be furnished by mail to subscribers, free of postage, for \$1 per month or \$10 per year; single copies 10 cents each; payable in advance. Remit by money order payable to Superintendent of Documents, Government Printing Office, Washington, D. C.

Correspondence concerning the publication of the **FEDERAL REGISTER** should be addressed to the Director, Division of the Federal Register, The National Archives, Washington, D. C.

Navy leaflet specifications are not sent with the schedule. If a bidder does not have them in his possession, he may apply to the Bureau of Supplies and Accounts or to any navy yard, supply depot, or purchasing office for copies. Copies of schedules are also mailed to the supply activities at the delivery points concerned as notice to supply officers of the bureau's action.

Standard Form 31, Navy edition (Standard Government Form of Bid, Supply Contract). With each schedule are mailed two copies of Standard Form 31, Navy edition, which, after being filled out in accordance with the detailed instructions printed thereon, serves bidders as a transmitting letter, guaranty, and cover for schedule. Standard Form 31 and the schedule, both filled out, constitute the formal proposal or bid.

Opening bids. Three weeks is the average time allowed between the time schedules are sent out and date bids are opened. When bids are received, they are placed in locked boxes where they remain until the advertised hour for opening, when they are removed and opened, concurrently and publicly, under the supervision of an officer. All bids are read aloud in the presence of bidders, press representatives, and representatives of bonding companies, and are immediately recorded in books which are at all times open for inspection. Late bids are not considered unless it can be shown by post marks, registry receipts or otherwise that they were mailed in sufficient time to have arrived by the hour set for the opening, and where it is clearly evident that no unfair advantage has accrued to the late bidder by reason of the delay. Telegraphic bids are not considered, unless asked for, but telegraphic modifications or withdrawals are accepted if received prior to the hour of opening. After all bids have been read

and recorded, the duplicate copies thereof are placed on a counter where they may be examined by all interested parties.

Awards. Awards are made to the lowest responsible bidder offering material in accordance with the specifications, except in a few cases of statutory exemption where the Government is not required to accept the low bid. Tie bids are decided by lot. The Navy always reserves the right to award by item rather than by class; to reject all bids; and to accept modified bids if this can be done without injustice to other bidders. Awards are made as soon as a decision is reached. Awards which involve no technical consideration are made immediately. Bids which require the recommendation of a technical bureau or a navy yard are submitted thence, and awards made as soon thereafter as practicable. Telegraphic notice of award is made in important cases. A formal award is made in all cases.

Bureau contract or order—Contracts. After award is made, a formal contract is prepared on Standard Form 32, Navy edition, if the amount involved is over \$500. A blank form for bond is printed on the back of the contract form and is prepared by the bureau for execution by the contractor in each case except where the contractor has an annual bond on file. The original contract, unsigned, is mailed to the contractor for signature and execution of bond. With the contract the bureau sends, for the contractor's retention, a memorandum containing all the essential data of the contract and a statement by the Paymaster General that a contract has been entered into by the Navy. The original contract, after being executed by the contractor, is returned to the bureau. It is then signed by the purchasing officer and forwarded to the General Accounting Office. The Navy signs and requires a contractor to sign but one copy of a contract.

Bureau orders (N. S. A. Form 526). Bureau orders are prepared where the amount involved is \$500 or less, no contract or bond in such cases being required.

(c) Copies. Copies of bureau contracts and orders are prepared and distributed to bureaus, supply officers, inspectors, and others concerned. Certified copies of contracts, together with the necessary affidavit form and all bids received are filed with the Returns Office of the General Accounting Office in accordance with Sec. 3744, R. S., 41 U. S. C. 16.

S. and A. contract bulletins. The Bureau of Supplies and Accounts distributes bulletins and circular letters showing articles covered by the Bureau of Supplies and Accounts annual and quarterly contracts, such as packings, coal, gasoline and distillate, lubricating oil, fuel oil, boiler gaskets, CO₂ gas, and tool steel.

SEC. 4.1016 Methods of purchase by field activities (ashore and afloat)—Method of purchase used in Bureau of Supplies and Accounts to be followed by field activities when practicable. The method of purchase followed by the Bureau of Supplies and Accounts, described in Sec. 4.1015, will be used when time permits and the value of the material warrants that procedure, except that advertisement will not be by newspaper unless specifically authorized.

Procedure followed. The ordinary procedure for making purchases in the open market is for the purchasing officer, upon receipt of a duly approved requisition, to advertise by sending out blank proposals to manufacturers and leading dealers and by posting a copy thereof on the public bulletin board of his office, and after a public opening of bids and award to the lowest satisfactory bidder, to confirm the same by placing an order or by entering into a formal contract, as the circumstances require.

The time for the opening of bids should be fixed at a date sufficiently ahead to secure adequate competition and to allow bidders to prepare and to return their bids, having due regard for the importance of the purchase and the urgency of the need. A record shall be made of the bids that are to be opened on a specified date.

When an unusual emergency exists, competition may be invited and bids accepted by telephone, but such bids must be confirmed in writing as of the same date.

Dealers and their agents allowed on board. See Art. 868 (3), N. R., Sec. 1.0868, Part 1, hereof.

SEC. 4.1017 Purchases in the manner common among business men (ashore and afloat)—Authority. The authority to make purchases "in the manner common among business men" is contained in the Act of March 2, 1907 (34 Stat. 1193), 34 U. S. C. 571.

Ashore. All shore stations where there is a regularly organized supply department and all Navy purchasing offices are authorized to make sundry purchases of articles and to procure services on approved requisitions in a direct manner such as is "common among business men."

Requisition necessary. Purchase may be made under annual requisition for sundry purchases, annual requisition for certain supplies or services, or duly approved individual requisition.

Method of purchase not to be used for certain materials. No article, material, or services may be purchased in this manner which, under other instructions, require procurement thereof from or through some other department or establishment of the Government.

Services of a temporary nature only may be procured under this authority. Services of a continuous nature, such as towel service, water, etc., required

from month to month will be procured under written contract in the usual manner.

Printing machinery or equipment shall not be purchased in this manner.

Limitation on cost of items purchased. The limit of cost of any one item or group of items of similar material that may be so purchased at industrial navy yards, Navy purchasing offices, naval supply depots, the Naval Torpedo Station, Newport, Naval Clothing Depot, Brooklyn, the Naval Aircraft Factory, and the Naval Air Stations, Pensacola, San Diego, and Norfolk, is \$500 and at other shore activities \$200, unless otherwise specifically authorized by the Bureau of Supplies and Accounts.

Procedure. Under this authority, the purchasing officer may purchase any article or services required within the limits of the requisition without advertisement and without formal bids or written awards. Bids may be obtained orally (over the counter), by telephone, by telegraph, or by written invitations. Competition should be secured whenever it is practicable to do so without delaying procurement, unduly increasing the work involved in the procurement, or otherwise obviating the benefits derived by this method of purchase. A written record showing the form of bids (oral, telephonic, telegraphic, or written) will be made of bids received, and kept in the files of the purchasing (supply) officer. When competition is obtained, the order will be placed with the dealer quoting the lowest price for satisfactory delivery. The order may be placed in writing, or orally (over the counter), by telephone, or by telegraph; and written confirmation is not required.

Public voucher (Standard Form 1034) will be prepared, based on dealer's invoice in the prescribed manner. When purchase is made on annual requisitions for sundry purchases, the word "sundry" will be entered following the requisition number. In the administrative certificate on the face of the public voucher, the blank following "No." will be filled in by the figure "4"; on the back of the public voucher, the "Method or absence of advertising" will be filled in by entering opposite "4" the words "Act of March 2, 1907 (34 Stat. 1193)." No formal contract or other written agreement being required, no statement and certificate of award (Standard Form 1036) will be required.

Afloat. Ships operating directly under the general supply system may employ the method of purchase described above, under the following additional restrictions:

The authority contained herein is not intended to be used as a means to circumvent the established methods of procurement nor to obtain special or non-standard material in contravention of instructions issued by cognizant bureaus or contained in Navy Regulations.

The limit of cost of any one item or group of items of similar material that

may be so purchased is \$50, unless otherwise specifically authorized by the Bureau of Supplies and Accounts.

When a ship is at a navy yard or naval station, no item shall be purchased unless and until the ship has ascertained that the item cannot be supplied from stock by the supply activity on shore. When the item cannot be supplied from stock, the ship may requisition same for purchase by the supply activity.

Purchases made under annual requisitions will be taken up in Class 201 and immediately expended to use.

Annually, each ship operating directly under the general supply system shall prepare, under the Naval Supply Account Fund, an annual requisition covering purchases authorized by this article, for the amount stated in the Bureau of Supplies and Accounts Memoranda. This requisition will be approved by the commanding officer only.

Sec. 4.1028* Strike out from paragraph captioned "Representations and stipulations prescribed by Act of June 30, 1936" to end of section. These instructions are promulgated by the Department of Labor.

Sec. 4.1042 *Receiving, opening, and recording bids—"Bid" and "proposal" synonymous.* The terms, "bid," and "proposal," as commonly employed in Navy purchasing, are synonymous.

What constitutes a bid. The return of the bid (Standard Form 31, Navy edition, S. and A. Form 106 or a letter) embodying the specifications and conditions, signed by the bidder constitutes a bid.

Delayed bids—Bids presented after time of opening. A bid presented by hand after the time for opening specified in the advertisement (schedule, proposals, or other manner of inviting the bids) is a late bid and shall not be received.

Bids mailed too late for delivery in time. Bids received in the mails after the hour of opening which show by their postmarks that they were not mailed in proper time or manner to have been received by the hour of opening shall not be opened but shall be returned to the bidder, with a letter stating the time and place of mailing as shown by the postmark. When necessary to open the envelope to ascertain the name and address of the bidder, or to obtain any other identifying information, the circumstances shall be stated in the letter to the bidder.

Bids delayed in the mails. Bids not received until after the hour fixed for the opening, on account of delays in the mail, but before award is made, will be considered, provided the envelope containing the bid bears evidence of its mailing in time for arrival before the hour of opening. The following will be accepted as satisfactory evidence of its mailing in time for arrival before the hour of opening:

When the envelope containing the bid bears a post office cancellation mark showing clearly that the bid was mailed in proper time and manner to have been received in the ordinary course of mails before the time fixed for the opening of bids.

When the envelope containing the bid bears a metering device indicium and (1) the indicium includes the hour in addition to the city, state, and date, the indicium will be given the same recognition as a post office postmark and the rule in subpar. above applied; or (2) the date only is shown in the indicium, and that date is such that the bid, if mailed as late as the last hour on that day, would have arrived in the normal course of the mail at or before the time stated for the opening of the bids; or (3) the date only is shown in the indicium, and that date is such that the bid, if mailed at some hour before the end of that day, would have arrived in the normal course of the mails at or before the time set for the opening, provided that before any award is made to the bidder concerned, an affidavit secured from him setting forth the actual hour of mailing shows that the bid was mailed in ample time for the bid to have been received at or before the time of opening the bids.

Evidence of an attempt on the part of the bidder to secure an advantage in the late mailing of a bid will be reported to the Bureau of Supplies and Accounts. Frequency of late bids by the same bidder may be prima facie evidence requiring investigation.

Recording date of bids. All bids received in the mails after the time fixed for the opening shall be entered in the permanent record, showing for each the time and place of mailing as indicated by the postmark. The witnessing officer shall initial the entry for each bid which, having been mailed in time, must be considered in deciding the awards. The envelopes for those particular bids shall be retained for at least one month after the opening of bids, available for inspection by bidders.

Telegraphic bids. Bids submitted by telegram will not be considered unless telegraphic bids have been asked for by the Government. Changes or modifications of bids, however, may be made by telegrams if received by a purchasing officer prior to the opening.

A bidder under an advertisement for sealed proposals may, previous to the opening of the bids, modify his bid by telegram, and the modified bid, if authentic, would upon acceptance before withdrawal, bind the bidder (22 Op. Atty. Gen. 45). Telegrams modifying sealed bids which are received before the hour of opening shall immediately be placed in sealed envelopes and shall publicly be opened at the appointed hour with the original bids from the senders. However, since telegrams, unlike letters, are revocable until delivered, the official time of receipt shall be the hour at

* 3 F. R. 3149 DL

which the telegram is received by the Government (which shall be stamped or written on the telegram); the hour at which sent by the bidder shall not govern.

Whenever bids are requested by purchasing officers to be submitted by telegram the request for such bids will be worded as follows:

Telegraphic bids requested, to be received in (office concerned) by (hour and date fixed).

Telephonic bids. Telephonic bids may be solicited in cases of emergency (see Sec. 4.1016) or when purchasing articles in accordance with Sec. 4.1017. An adequate number of bona fide bids must be obtained, and all the procedure must harmonize as nearly as possible with the regular procedure of Navy purchase.

Withdrawal of bids. Bids, whether submitted under a guaranty or not, may be withdrawn at any time prior to an opening.

Except as limited by an option, a bid can not after an opening be withdrawn before a reasonably sufficient time has elapsed for the proper examination of all bids received. "The agents of the Government must be allowed reasonable time for the examination of proposals after the opening of bids, before the bidders can be allowed to withdraw. (Scott v. U. S. (1909), 44 Ct. Cl. 524.) No hard and fast rule, applicable to all cases, as to what constitutes a "reasonable length of time" can be made. The circumstances, in each case, will determine this point. However, an obligation rests upon the Government to examine all bids with expedition and to make an award at the earliest possible moment. Fluctuating elements affecting the price quoted enter into a bidder's calculations, and he is entitled to prompt information as to whether he will be awarded the business.

In the case of bids submitted under the guaranty required by Sec. 3719, R. S., the bidder, if he attempts a withdrawal or an evasion after award, is held by the bond of agreement to execute the contract. Where no guaranty is required with the bid, the bidder can not be forced to execute a contract, the recourse being a purchase against his account and collection of the excess cost. If the bidder fails or refuses to pay the excess cost, recourse is by refusing to do business with a man who declines to stand behind his bid for a "reasonable" length of time and the rejection of his bids because of his previous defaults. (See Sec. 4.1081.)

Public opening and recording of bids. All bids must be opened in public by or in the presence of an officer or civilian administrative assistant.

The names of the bidders and the prices bid shall be recorded in a permanent record. When the items are too numerous to warrant the recording of all bids completely, as in the case of the periodical provision contracts, an entry shall be made of the opening date, schedule or requisition number, general description of the material, and the total

number of bids received. The officer, as soon as the opening of the bids is completed, shall enter and sign the following certificate in the permanent record immediately below the last bidder's name:

I hereby certify that I have personally opened the bid box (or other receptacle for deposit of the sealed bids) and that all bids for this opening were removed therefrom and that all bids have been entered above.

The permanent record and the duplicate bids will be available for public inspection.

The original bids shall not be allowed to pass out of the hands of an official of the Government, except where the duplicate bid can not be made available for public inspection and then only under the immediate supervision of an official of the Government under conditions which preclude the possibility of a substitution, addition, deletion or alteration in the bid.

Sec. 4.1071 Contract bonds—When required. All purchases made under formal contract require a bond except under the following conditions:

If a contract sent for execution is returned without bond and the material has been delivered and accepted, the execution of bond will not then be required, provided the delivery was so made within 10 days after the date of the contract; otherwise the contract will be returned for the execution of the bond. (Comp. Gen. Mar. 25, 1926.)

Contracts with municipalities or public service corporations furnishing water, gas, or electricity to activities of the Navy, when there is no competition and when the prices for the services are under State or municipal control, may be entered into without supporting guaranty with bid or bond with contract.

Contracts for personal services.

Contracts for nonpersonal services, when no materials whatever are required as a part of or in connection with the services, or when the services do not require work on Government owned materials.

Sum required. Navy purchasing officers will be guided by the following schedule in requiring bonds from contractors in the case of ordinary contracts for supplies:

Contract over \$500 up to \$50,000; 25 per cent of the amount of the contract, but not more than \$10,000.

Contract over \$50,000 up to \$100,000; 20 per cent of the amount of the contract, but not more than \$15,000.

Contract over \$100,000 up to \$200,000; 15 per cent of the amount of the contract, but not more than \$20,000.

Any amount over \$200,000; 10 per cent of the amount of the contract.

The amount of each bond required is to be in hundreds of dollars only, so in case the required amount comes to a fractional part of a hundred, the next higher hundred should be designated. For example: If the percentage of the amount due under the contract equals \$235 the bond would be \$300.

When, due to the nature of the contract or the responsibility of the contractor, a bond in an amount larger than the percentage named in the foregoing schedule is considered advisable, the purchasing officer will make special provision for bond in such increased amount as is deemed necessary.

The preceding instructions in this section do not apply to contracts guaranteed by certified checks, as the law specifically provides that certified checks shall be for from 25 per cent to 50 per cent of the amount of the contract. In the absence of instructions to the contrary in specific instances, when a certified check is furnished in lieu of a bond, it will be for 25 per cent of the contract. All such checks shall be payable to the Secretary of the Navy. No check is necessary when a bond is not required.

United States Liberty bonds or other bonds or notes of the United States in a sum equal at their par value to the certified amount of the bond in the case of a contract may be accepted in lieu of bond if accompanied by a power of attorney in the form set out in the latest edition of Treas. Cir. 154, authorizing the purchasing officer to collect or sell such bonds in case of any default. (See Sec. 4.1070.)

Bonds never to be waived. The fact that requirements under a contract cannot be estimated with accuracy—as in the case of certain estimated quantity contracts—does not permit of the waiver of the bond required by Sec. 3719, R. S., 34 U. S. C. 562. A bond must be furnished. The difficulty of an exact estimate may be surmounted by taking the estimated quantities in the proposal and multiplying them by the unit prices in the contract; the amount of the bond required will be based on the figures obtained.

Corporate bonds. Except when otherwise directed by the Secretary of the Navy, the provisions contained in the following paragraphs shall be complied with in the acceptance of bonds, or undertakings under the Navy Department executed by guaranty or surety companies.

No company having authority to do business with the United States, under Act of Aug. 13, 1894 (28 Stat. 279), 6 U. S. C. 6, shall be accepted as sole surety on any bond or undertaking under the Navy Department, the penal sum of which is greater than 10 per cent of the paid-up capital and surplus of such company.

Two or more companies may be accepted as sureties on any bond or undertaking under the Navy Department the penal sum of which does not exceed 10 per cent of their aggregate paid-up capital and surplus, and in such cases each company may limit its liability, in terms, upon the face of the bond to a definite, specified amount, such amount being in all cases, however, within the limitations herein prescribed. Every such recognizance, stipulation, bond, or

undertaking shall be executed by the principal and sureties jointly and severally.

No portion of any bond or undertaking shall be included in determining the limitations herein prescribed which shall have been reinsured in a company authorized to do business under the acts referred to above, within the limitations herein prescribed, or in such companies and under such limitations as the Secretary of the Treasury shall have approved; the reinsurance agreement to be executed simultaneously with the original obligation and such reinsurance agreement to run directly to the United States.

In determining the limitations herein prescribed the full penalty of the bond will be regarded as the liability.

Annual contract bonds. It is desirable that manufacturers and dealers doing a considerable business with the Navy furnish an annual bond in lieu of separate bonds. When the business is of sufficient volume, Navy purchasing officers should communicate with such manufacturers and dealers with a view to their furnishing annual bonds if they wish to do so. If the annual bond is insufficient (based on 25 per cent of each contract), the contractor should be required to increase the bond proportionately to cover the particular contract concerned.

The annual bond may, in the bidder's option, be furnished either with corporate surety or with individual sureties. Individual sureties must execute the required justification affidavit and must furnish the required certificate of financial worth in the spaces on the bond blank.

The bonds will be sent to the Bureau of Supplies and Accounts for further reference to the Secretary of the Navy (Judge Advocate General) for his approval prior to final action. Those with corporate sureties will be forwarded by way of the Treasury Department, surety bonds section, to the General Accounting Office for file. Those with individual sureties will be forwarded by the Judge Advocate General direct to the General Accounting Office for file.

The letter transmitting the bonds to the General Accounting Office will record the navy yard or purchasing office concerned, the names of the principals and sureties, the amount of the bond and the date of approval. A copy of this letter of transmittal will be forwarded to the contracting officer and will be his authority for recording the bond as officially accepted.

Contracts entered into under annual bonds must bear reference to the covering bond.

Preparation and execution of bonds. Bonds attached to original contracts forwarded to the General Accounting Office (Audit Division) shall be correctly

executed and complete in the following details:

Bonds must be completely filled out in the body thereof and dated.

Bonds must be executed by principal and surety (if corporation acts as such), or by principal and sureties (two sureties if individuals act as such).

Signature of principal and surety or sureties must be witnessed. A seal of wax or wafer must be attached to the signature of the principal or his attorney and of each individual surety. A corporate surety must affix the corporate seal.

In the case of bonds executed by surety companies the rate of premium per thousand and the total amount of premium charged shall be stated on each guaranty and bond executed, in substantially the following form:

The rate of premium on this bond is \$----- per thousand; the total amount of premium charged is \$-----.

In the case of contract bonds involving work to be guaranteed for definite periods after completion, the statement must be entered by the surety company in substantially the following form:

The rate of premium on this bond is \$----- per thousand; the total amount of the premium charged (including that for maintenance guaranties) is \$-----.

A witness to the signature of principal and surety or sureties, together with a seal as prescribed, is necessary in the case of a performance bond; but its omission on a bid bond does not necessarily invalidate the bid bond (guaranty) so as to require the rejection of the bid. When a purchasing officer is otherwise satisfied that the bid bond (guaranty) is valid, the requirement of a witness to the signatures and seals may be waived.

In the case of individual sureties, the statement as to financial worth under the conditions of the bond, must be filled out and executed. The certificate of sufficiency shall be signed by an officer of a bank or trust company, or by a judge or clerk of a court of record, a United States district attorney or commissioner, a postmaster, a collector or deputy collector of internal revenue, or any other officer of the United States acceptable to the department or establishment concerned.

All bonds covering contracts must run to the "United States of America."

Bonds, other than annual bonds, must not antedate the contract.

Release of bondsmen from liability under contracts. A formal release from a bond given by a contractor should never be granted, although bonding companies may be informed, if they so request, when final payment is made by the Government under the contract. For, notwithstanding final payment, a bond, unless a formal release is granted, continues in force and will protect the

Government against contingencies which are named in the contract, such as liabilities on account of patent rights. In the purchase of equipment it is generally necessary to embody a clause in the contract limiting the guaranty of the contractor for satisfactory operation to a fixed period. This may be done without releasing the bond, by using the following language:

The bond in this contract shall be ----- per cent of the total sum involved. The contractor guarantees satisfactory operation of the equipment for a period of ----- after installation and acceptance by the Government.

By the use of a clause so worded, the bond will not be released, but will remain in force to cover any obligation which may arise under the contract after the guaranty of satisfactory operation has expired.

SEC. 4.1149 Containers; gasoline drums and barrels—Contractors' drums and barrels. In emergencies, when it becomes necessary to obtain gasoline in other than Navy owned drums or barrels, the serial numbers of such drums or barrels shall be carefully recorded, and the supply officer will insure their return within the contract period if at all practicable. Receipts showing serial numbers shall be obtained for drums or barrels which are returned and filed with the record of receipt of the drums or barrels from the contractor.

Payment will be made for drums or barrels which cannot be returned, charging the same appropriation as that ultimately chargeable with the cost of the gasoline. Such payments shall be recorded in the record of original receipts of the drums or barrels from the contractor. Such drums or barrels shall be marked as directed.

Contractor owned drums or barrels shall not be issued to ships unless Navy owned containers are not available. Record will be made of such issues. The supply officer of the ship will be informed of the time limit within which containers are to be returned. The responsibility of the issuing supply officer will cease after making record of the vessel to which issue was made; the responsibility then rests with the supply officer of the ship for the return of or payment for the contractor owned drums.

When contractor owned drums are transferred to another vessel or a naval station for return to the contractor, invoices will show invoice number and source from which obtained, the time limit within which containers are to be returned, and the name of contractor, if known.

Gasoline drums or barrels not known positively to belong to the Navy will be made the subject of investigation and inquiry, with a view to returning to the contractors all drums or barrels not the property of the Navy.

Containers purchased with option of return. Containers purchased with option of return will become the property of the Government on delivery; their return to the contractor will be in the discretion of the Government. If practicable, they should be returned to the contractor and reimbursement therefor obtained. If they are not returned no additional payment will be due.

[SEAL] S. B. ROBINSON,
Acting Judge Advocate
General of the Navy.

FEBRUARY 21, 1939.

[F. R. Doc. 39-619; Filed, February 23, 1939;
10:44 a. m.]

TITLE 47—TELECOMMUNICATION

FEDERAL COMMUNICATIONS COMMISSION

CHAPTER VI. RULES GOVERNING FIXED RADIO SERVICES

PART 60. DEFINITIONS

The Commission amended Section 60.03, effective March 1, 1939, to read:

SEC. 60.03 *Fixed public press service.* The term "fixed public press service" means a radio communication service consisting of transmissions from a fixed station, open to public correspondence, of news items, advertising, or other material relating to or intended for publication by press agencies, newspapers, or for public dissemination. These transmissions may be directed to one or more fixed points, specifically named in the station license, or to unnamed points in accordance with the provisions of Section 61.05. (Sec. 4, 44 Stat. 1163; 47 U. S. C. 84 (f); rules promulgated thereunder continued in effect by Sec. 604, 48 Stat. 1103; 47 U. S. C. 604) [Rule 232, F. R. C. Oct. 3, 1933, as amended by F. R. C., April 13, 1934, as further amended by F. C. C. on Feb. 20, 1939]

PART 61. OPERATION AND ALLOCATION OF FACILITIES

The Commission amended Section 61.05, effective March 1, 1939, to read:

SEC. 61.05 *Multiple-address press service.* Upon application being made,

the Commission may grant a license, or a modification of license, for fixed public press service to authorize the use of the assigned frequency, or frequencies, for transmission without coordinated reception of addressed messages to one or more fixed points, in accordance with the provisions of Section 60.03. The points to which such transmission is authorized need not be named either generally or specifically in the license. After such application is made and granted, specific authorization for transmission to each new point shall be contingent upon (a) the licensee's immediate notification to the Commission of the first transmission to said point and the location of the station or stations from which such transmission is made, and shall continue until the expiration date of the station license or licenses unless, within thirty (30) days, the licensee is otherwise notified by the Commission; (b) effective tariffs covering transmission to each new point authorized by this rule are currently on file with the Commission. After thirty (30) days from the commencement of such transmissions the Commission shall be notified on the first day of each calendar month the frequencies used for the transmission of messages authorized by this rule and the points of communication to which each frequency was utilized. In addition, the licensee shall within such 30-day period inform the Commission of the name of the person operating the receiving end of the circuit and the number of subscribers at that point. In addition, immediate notification shall be made of the deletion of any point which has been previously authorized by the provisions of this rule, and any change in identity of the person operating the receiving end of the circuit, and any change in the number of subscribers at that point. Nothing herein contained shall be construed as a waiver of any provision of law or regulation requiring the filing with the Commission by the carrier of copies of contracts in relation to traffic, or other contracts. (Sec. 4 (i), 48 Stat. 1066; 47 U. S. C. 154 (i) [Rule 241 (a), F. C. C., T. D., May 19, 1936, as amended on February 20, 1939]

By the Commission.

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 39-617; Filed, February 21, 1939;
1:03 p. m.]

Notices

SECURITIES AND EXCHANGE COMMISSION.

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 21st day of February, A. D. 1939.

[File No. 32-116]

IN THE MATTER OF THE CONNECTICUT LIGHT & POWER COMPANY

[Public Utility Holding Company Act of 1935]

ORDER FOR POSTPONEMENT OF HEARING

It appearing to the Commission that a hearing in the above proceeding has been set¹ for the 3rd day of March, 1939, at 10:00 o'clock in the forenoon of that day, at the offices of the Securities and Exchange Commission, 120 Broadway, New York, New York, for the purpose of determining whether a fee charged by Putnam & Company and by Charles W. Scranton & Company in connection with the issue and sale of the First and Refunding Mortgage Three and One-Quarter Per Cent. Bonds, Series H, of The Connecticut Light & Power Company is or is not reasonable; and

It further appearing to the Commission that said hearing should be postponed for the reason that the Trial Examiner designated to preside at such hearing will be engaged in another matter on said date and will, therefore, be unable to preside at the hearing at such time.

It is therefore ordered, That the hearing in the above-mentioned matter be, and the same hereby is, postponed until the 20th day of March, 1939 at 10:00 o'clock in the forenoon of that day at the offices of the Securities and Exchange Commission, 120 Broadway, New York, New York, before Richard Townsend, Trial Examiner, or any other officer or officers of the Commission designated by it for that purpose. All interested parties or persons will govern themselves accordingly.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 39-621; Filed, February 23, 1939;
11:12 a. m.]

¹ 4 F. R. 892 DL.